(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEbMAND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c)As of now, against an allocation of about 5.4 MMSCMD of APM gas in Tamil Nadu, the average supply is about 2.2 MMSCMD. Further, IOC has made certain gas demand estimations for the State. IOC has plans to set up an LNG terminal at Ennore in Tamil Nadu to meet the demand for natural *gas* in Tamil Madu and adjoining regions. The setting up of terminal will be subject to LNG source tie-up, commercial viability and market considerations.

Policy on retail expansion

151. SHRIMATI SHOBHANA BHARTIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether his Ministry has sent out an alert to PSU Oil companies for negative growth witnessed in demand for their petroleum products, particularly diesel and other industrial fuels like naptha, fuel oil and low sulphur high-speed oil;

(b) if so, whether oil companies have also been asked to re-examine their sales strategy especially their policy on retail expansion;

(c) if so, what is the reaction of the oil companies in this regard; and

(d) whether they have forwarded any detailed action plan to the Ministry?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (d) It has come to the notice of the Ministry of Petroleum and Natural Gas that while the public sector oil marketing companies (OMCs) have expanded their retail outlet (RO) network in a big way after dismantling of the Administered Pricing Mechanism effective 1.4.2002, adequate attention has not been paid by them to improving the institutional and technological mechanisms, resulting in not only reduction in their average through put per RO but also complaints of malpractices. Further, the Standing Committee on Petroleum & Natural Gas (2005-06) (Fourteenth Lok Sabha), in their Ninth Report presented/ laid in the Parliament on 15.05.2006, expressed serious concern over the indiscriminate setting up of ROs by the OMCs and consequent reduction in the throughput per RO, coupled with a general deterioration in the performance of the ROs. The Committee, therefore, recommended

constitution of an independent expert team to look into the issues and suggest corrective measures to improve the situation. Accepting this recommendation of the said Committee, the Ministry asked Indian oil Corporation (IOC) to engage an independent agency for conducting a study of the ROs of the public sector OMCs. It has been decided that the study may be completed within a period of two months from the date of commissioning. In accordance with this decision of the Government, IOC, on behalf of all the OMCs, has since entrusted the job of study of the ROs to the Indian Institute of Management, Ahmedabad.

Shortage of kerosene

152. DR. M.A.M. RAMASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is an acute shortage of kerosene in the country;

(b) if so, the kerosene demanded by State Governments to be sold through PDS;

(c) the kerosene supplied to these states against their demand; and

(d) the steps taken by Government in order to meet the shortage of kerosene in the country?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (d) PDS Kerosene is-an allocated product and the Government of India allocates it to the States on quarterly basis. The details of PDS Kerosene allocated to the States during 2005-06 and the first two quarters of 2006-07 are at enclosed Statement (See below). As of 17.07.06, the public sector oil marketing companies had overall Kerosene stocks at their supply locations in various State sufficient to meet 23 days requiement on all India basis. The distribution of PDS Kerosene to the consumers is handled by the State Governments.

In addition to PDS Kerosene, oil companies sell free market Kerosene as per requirements.